

ALASKA RETIREMENT MANAGEMENT BOARD

FINANCIAL REPORT

AS OF OCTOBER 31, 2005

**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Schedule of Investment Income and Changes in Invested Assets**  
**Summary by Fund**  
**July 1, 2005 through October 31, 2005**

<u>Fund Type</u>	<u>Beginning Invested Assets</u>	<u>Change In Asset Value <sup>(1)</sup></u>	<u>Net Contributions/ Withdrawals <sup>(2)</sup></u>	<u>Ending Invested Assets</u>
<b><u>Pension</u></b>				
Public Employees Retirement Trust Fund	\$ 8,586,538,451	\$ 249,439,977	\$ (71,418,658)	\$ 8,764,559,769
Teachers Retirement Trust Fund	4,026,302,239	116,683,986	(97,492,613)	4,045,493,613
Judicial Retirement Trust Fund	73,673,124	1,873,167	(900,640)	74,645,651
Military Retirement Trust Fund	14,600,709	140,328	(635,330)	14,105,708
Subtotal Pension Trust Funds	<u>12,701,114,524</u>	<u>368,137,458</u>	<u>(170,447,241)</u>	<u>12,898,804,741</u>
<b><u>Participant Directed</u></b>				
Supplemental Annuity Plan	1,944,218,378	16,007,560	(10,263,854)	1,949,962,084
Deferred Compensation Plan	449,530,523	9,230,786	(1,960,413)	456,800,896
Subtotal Participant Directed Funds	<u>2,393,748,901</u>	<u>25,238,345</u>	<u>(12,224,267)</u>	<u>2,406,762,980</u>
<b>Total All Funds</b>	<u>\$ 15,094,863,425</u>	<u>\$ 393,375,803</u>	<u>\$ (182,671,508)</u>	<u>\$ 15,305,567,720</u>

Notes:

(1) Includes interest, dividends, securities lending, expenses, realized and unrealized gains/losses

(2) Includes authorized contributions/withdrawals from the invested funds

**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Schedule of Investment Income and Changes in Invested Assets**  
**Summary by Fund**  
**For the Month Ended**  
**October 31, 2005**

<b>Fund Type</b>	<b>Beginning Invested Assets</b>	<b>Change In Asset Value <sup>(1)</sup></b>	<b>Net Contributions/ Withdrawals <sup>(2)</sup></b>	<b>Ending Invested Assets</b>
<b><u>Pension</u></b>				
Public Employees Retirement Trust Fund	\$ 8,891,858,818	\$ (106,277,659)	\$ (21,021,390)	\$ 8,764,559,769
Teachers Retirement Trust Fund	4,112,136,629	(49,484,376)	(17,158,640)	4,045,493,613
Judicial Retirement Trust Fund	75,818,287	(952,923)	(219,713)	74,645,651
Military Retirement Trust Fund	14,483,544	(180,767)	(197,069)	14,105,708
Subtotal Pension Trust Funds	<u>13,094,297,278</u>	<u>(156,895,726)</u>	<u>(38,596,812)</u>	<u>12,898,804,741</u>
<b><u>Participant Directed</u></b>				
Supplemental Annuity Plan	1,975,074,673	(23,573,863)	(1,538,726)	1,949,962,084
Deferred Compensation Plan	462,614,308	(5,338,145)	(475,267)	456,800,896
Subtotal Participant Directed Funds	<u>2,437,688,980</u>	<u>(28,912,008)</u>	<u>(2,013,993)</u>	<u>2,406,762,980</u>
<b>Total All Funds</b>	<u>\$ 15,531,986,259</u>	<u>\$ (185,807,734)</u>	<u>\$ (40,610,805)</u>	<u>\$ 15,305,567,720</u>

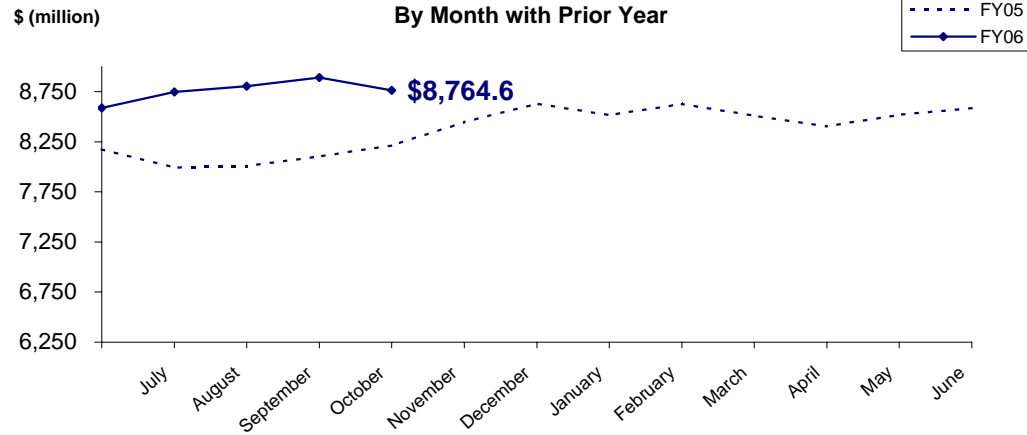
Notes:

(1) Includes interest, dividends, securities lending, expenses, realized and unrealized gains/losses

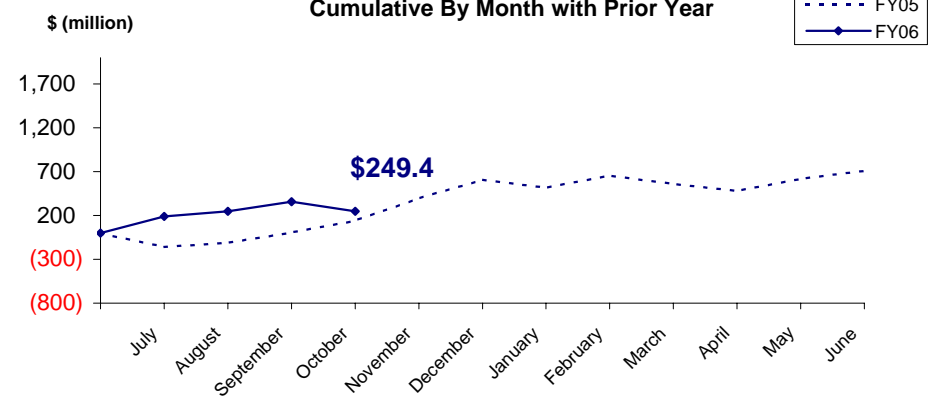
(2) Includes authorized contributions/withdrawals from the invested funds

# PUBLIC EMPLOYEES' RETIREMENT TRUST FUND AS OF OCTOBER 31, 2005

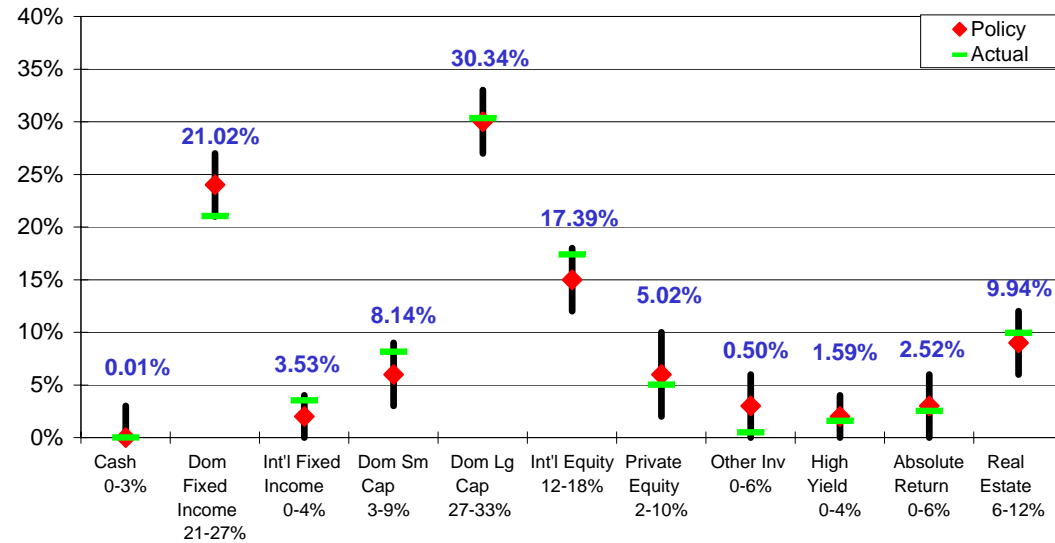
### Total Invested Assets By Month with Prior Year



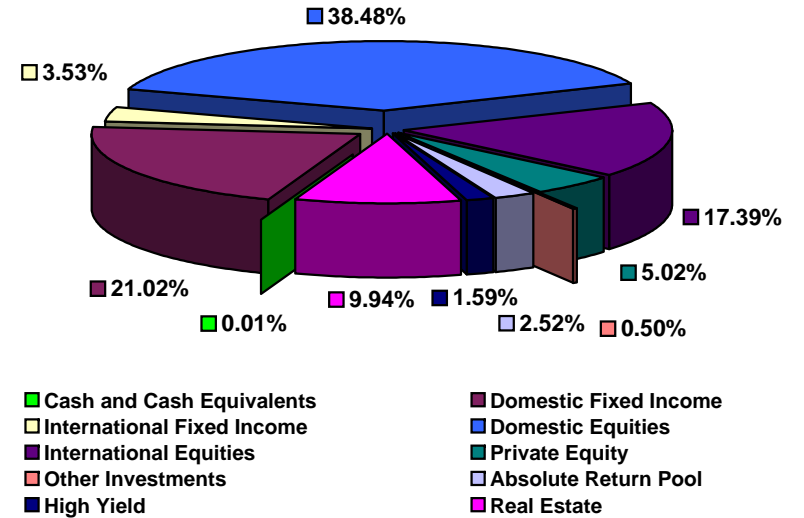
### Investment Earnings Cumulative By Month with Prior Year



### Actual Asset Allocation v. Target Allocation

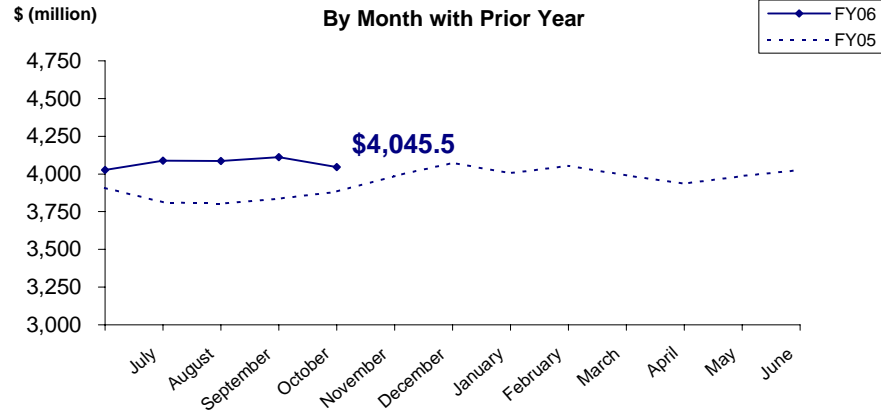


### Invested Assets By Major Asset Class

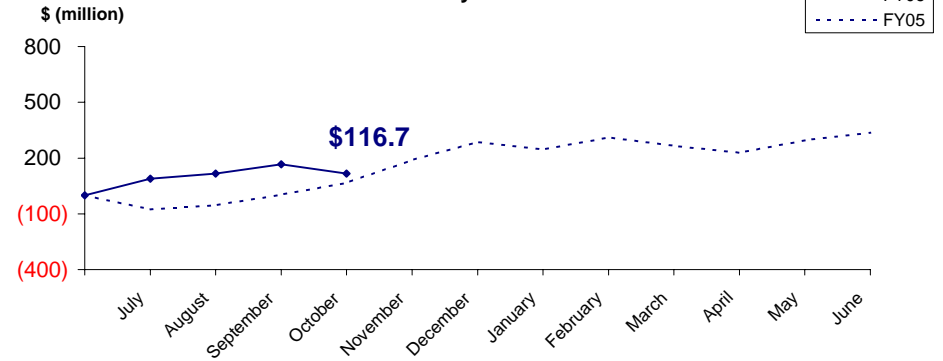


# TEACHERS' RETIREMENT TRUST FUND AS OF OCTOBER 31, 2005

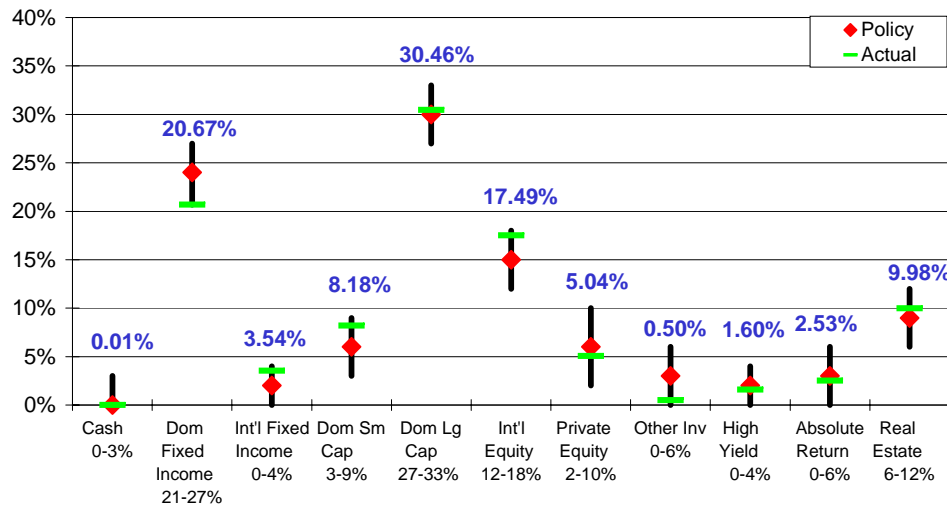
## Total Invested Assets By Month with Prior Year



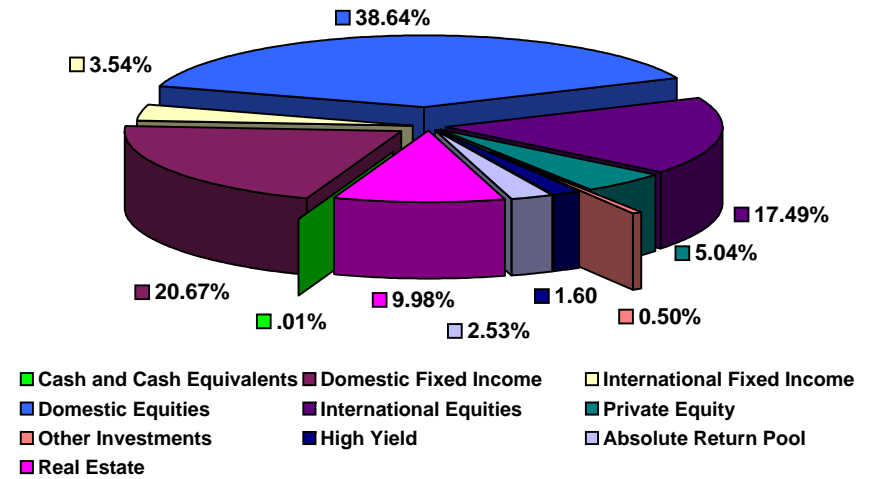
## Investment Earnings Cumulative By Month with Prior Year



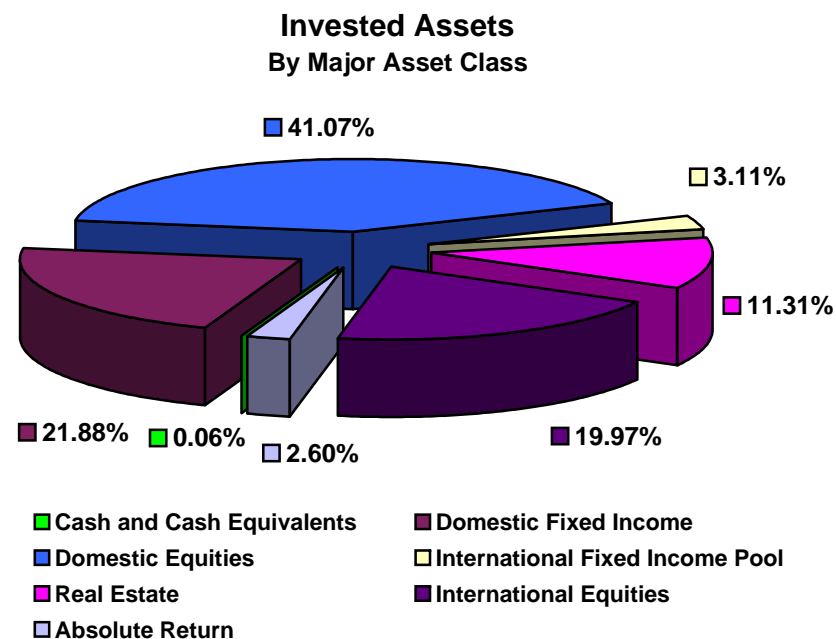
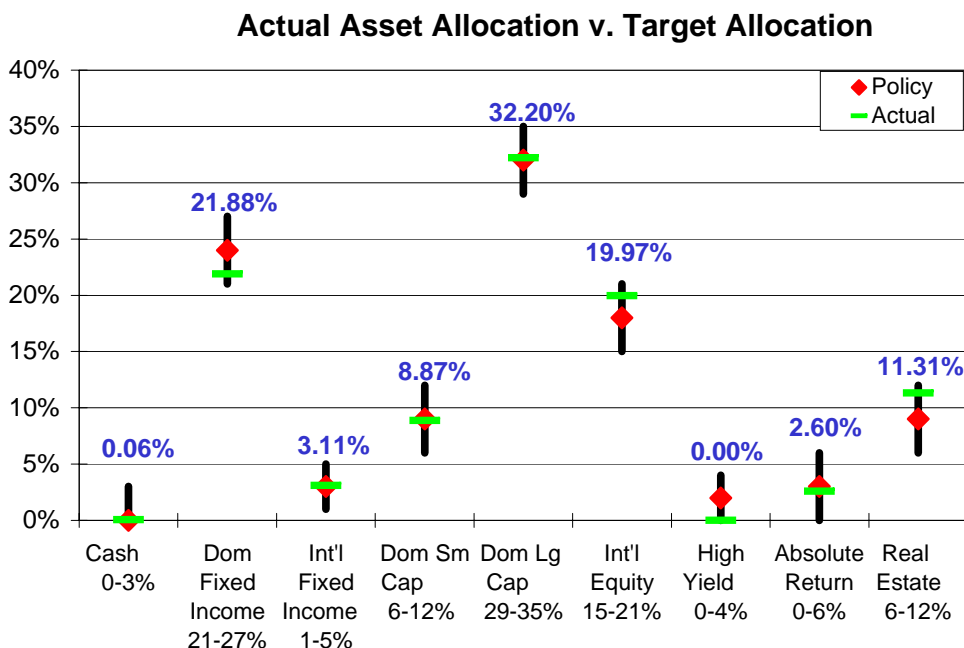
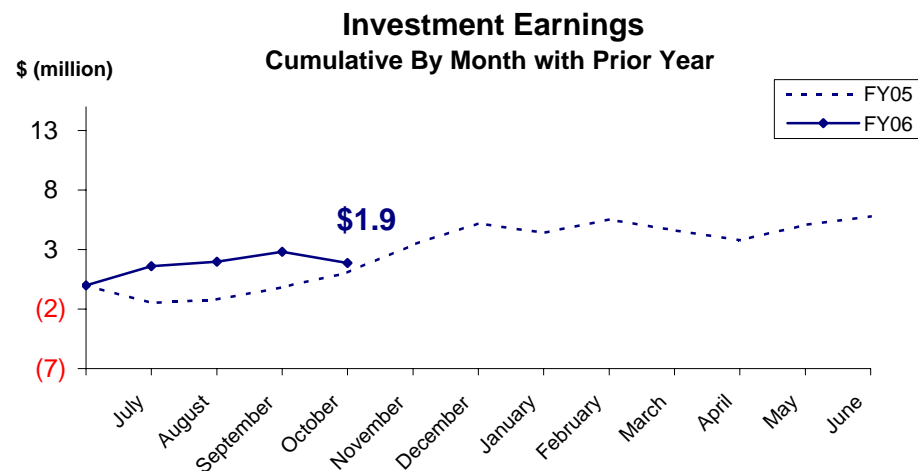
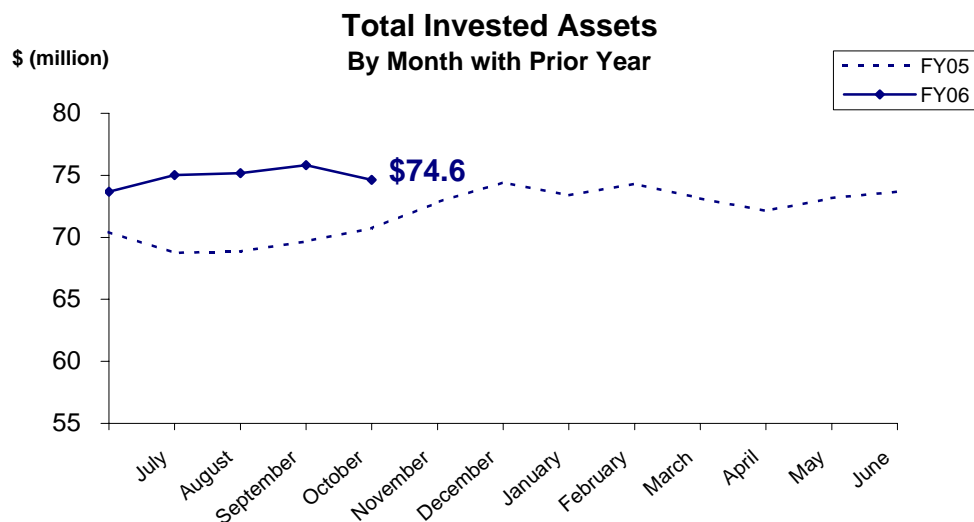
## Actual Asset Allocation v. Target Allocation



## Invested Assets By Major Asset Class

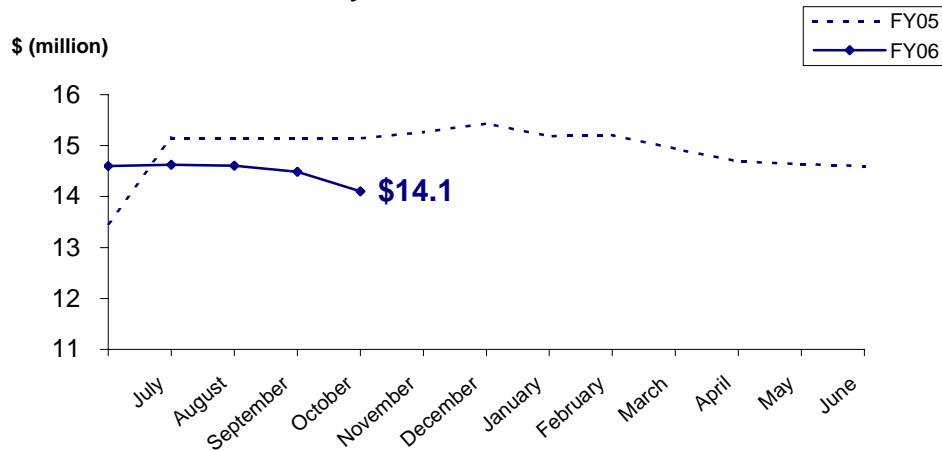


# JUDICIAL RETIREMENT TRUST FUND AS OF OCTOBER 31, 2005

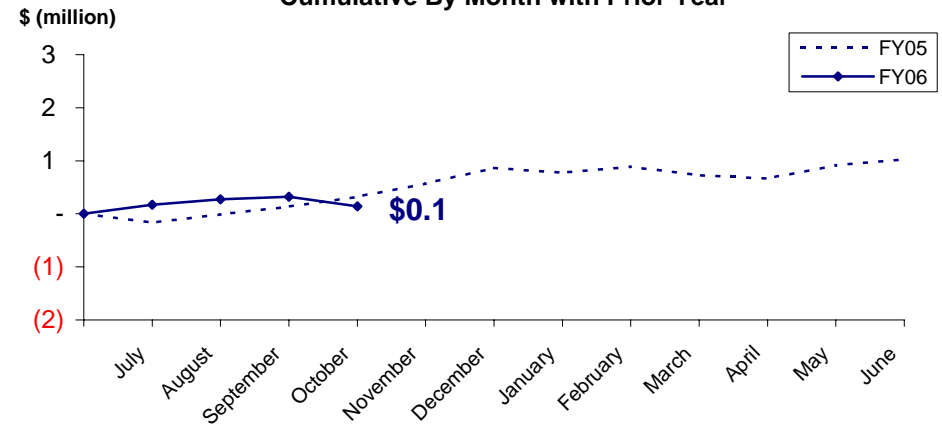


# MILITARY RETIREMENT TRUST FUND AS OF OCTOBER 31, 2005

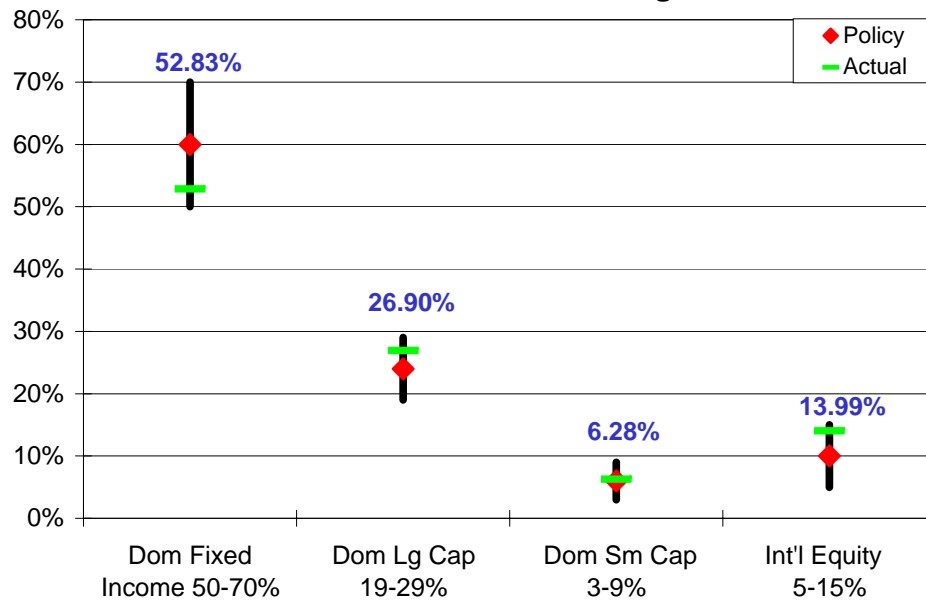
## Total Invested Assets By Month with Prior Year



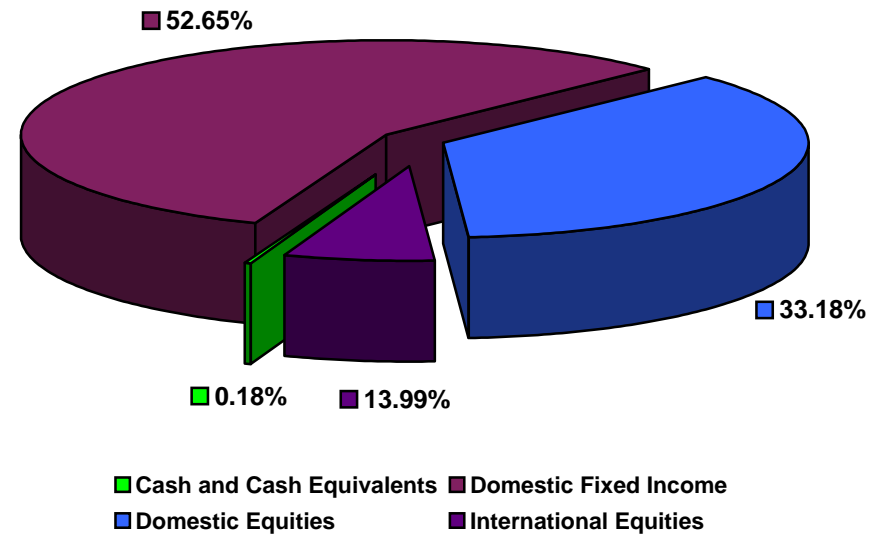
## Investment Earnings Cumulative By Month with Prior Year



## Actual Asset Allocation v. Target Allocation



## Invested Assets By Major Asset Class



**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Public Employees', Teachers', Judicial and Military Retirement Funds by Manager**  
**Schedule of Investment Income and Changes in Invested Assets for the Month Ended**  
**October 31, 2005**

	Beginning Invested Assets	Change In Market Value From Prior Month End	Transfers In (Out) During Month	Ending Invested Assets	% of Total
<b>Internal Short-Term Fixed Income Pool</b>	<b>\$ 1,005,122</b>	<b>\$ 18,571</b>	<b>\$ 64,668</b>	<b>\$ 1,088,361</b>	<b>0.01%</b>
<b>Internal Fixed Income Investment Pool</b>	<b>1,903,668,916</b>	<b>(12,882,067)</b>	<b>(8,873,883)</b>	<b>1,881,912,966</b>	<b>14.59%</b>
<b>External Domestic Fixed Income Pool</b>					
Blackrock	826,931,365	(5,009,576)	(5,468)	821,916,321	6.37%
<b>International Fixed Income Pool</b>					
Mondrian Investment Partners	466,111,759	(11,463,469)	-	454,648,290	3.52%
<b>High Yield Pool</b>					
ING Investment Management	103,674,265			102,091,310	0.79%
MacKay Shields, LLC	102,360,501			102,207,445	0.79%
	206,034,766	(1,736,010)	-	204,298,755	
<b>Domestic Equity Pool</b>					
Small Cap Managers					
Indexed					
Russell 2000	11,528,743	(339,139)	-	11,189,604	0.09%
Actively Managed					0.00%
TCW Asset Management Company	331,032,492	(14,209,828)	(9,443)	316,813,221	2.46%
Turner Investment Partners	288,748,863	(9,845,343)	(13,029)	278,890,492	2.16%
Luther King Capital Management	116,281,204	(2,543,330)	(12,819)	113,725,055	0.88%
Jennison Associates, LLC	172,199,646	(6,743,143)	(17,368)	165,439,136	1.28%
Lord Abbett & Co.	169,045,065	(3,107,831)	(9,469)	165,927,765	1.29%
Total Active	1,077,307,271	(36,449,475)	(62,128)	1,040,795,668	
Total Small Cap	1,088,836,014	(36,788,614)	(62,128)	1,051,985,272	
Large Cap Managers					
Indexed					
SSgA S&P 500 Index Fund	1,836,217,736	(30,869,584)	84,969,217	1,890,317,369	14.65%
Total Indexed	1,836,217,736	(30,869,584)	84,969,217	1,890,317,369	
Actively Managed					
SSgA Transition Account	86,011,920	(1,020,262)	(84,978,330)	13,328	0.00%
Cap Guardian Trust Co	360,500,194	(5,494,244)	(4,360)	355,001,591	2.75%
Lazard Freres	367,629,664	(6,476,382)	(32,001,461)	329,151,820	2.55%
McKinley Capital Mgmt.	324,070,838	(5,650,010)	(2,119)	318,418,710	2.47%
RCM	441,866,914	4,546,563	(1,215)	446,412,262	3.46%
Tukman, Value	285,074,771	3,248,463	(111)	288,323,123	2.24%
Relational Investors, LLC	293,895,537	(3,149,439)	860,883	291,606,981	2.26%
Total Active	2,159,049,838	(13,995,311)	(116,126,714)	2,028,927,813	
Total Domestic Equity Pool	5,084,103,588	(81,653,508)	(31,219,625)	4,971,230,455	



**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Public Employees', Teachers', Judicial and Military Retirement Funds by Manager**  
**Schedule of Investment Income and Changes in Invested Assets for the Month Ended**  
**October 31, 2005**

(Cont.)	Beginning Invested Assets	Change In Market Value From Prior Month End	Transfers In (Out) During Month	Ending Invested Assets	% of Total
<b>Private Equity Pool</b>					
Pathway Capital Management LLC	134,532,155	340,997		145,312,710	1.13%
Abbott Capital	429,845,837	3,954,176		437,682,984	3.39%
Blum Capital Partners-Strategic	13,135,462	-		15,191,383	0.12%
Blum Capital Partners-Public	41,241,480	(39,305)		46,202,175	0.36%
Total Private Equity	<u>618,754,933</u>	<u>4,255,868</u>	<u>21,378,451</u>	<u>644,389,252</u>	
<b>International Equity Pool</b>					
International Transition Account	29,584	76	-	29,659	0.00%
Bank of Ireland Asset Mgmt.	263,849	(432)	-	263,418	0.00%
Brandes Investment Partners	727,706,377	(20,107,736)	(71,530,100)	636,068,541	4.93%
Lazard Freres	411,385,450	(10,967,857)	32,000,000	432,417,593	3.35%
Cap Guardian Trust Co	467,591,350	(10,468,137)	(12,756)	457,110,457	3.54%
State Street Global Advisors	251,189,064	(7,356,443)	(7,178)	243,825,443	1.89%
McKinley Capital Management	260,872,040	(9,557,809)	(5,689)	251,308,542	1.95%
Total International Equities	<u>2,119,037,714</u>	<u>(58,458,338)</u>	<u>(39,555,723)</u>	<u>2,021,023,653</u>	
<b>Emerging Markets Equity Pool <sup>(2)</sup></b>					
JP Morgan Investment Mgmt.	114,181,237	(6,501,228)		107,680,008	0.83%
The Capital Group Inc.	125,756,711	(6,045,466)		119,711,245	0.93%
Total Emerging Market	<u>239,937,948</u>	<u>(12,546,694)</u>	<u>-</u>	<u>227,391,253</u>	
<b>Other Investment Pool</b>					
TCW Energy Fund XD	35,076,579	218,646		34,999,558	0.27%
UBS Agrivest, LLC	21,145,343	248,652		22,493,995	0.17%
Hancock Agricultural Investment Group	6,016,762	(4,334)		6,012,428	0.05%
Total Other Investments	<u>62,238,684</u>	<u>462,964</u>	<u>804,332</u>	<u>63,505,980</u>	
<b>Absolute Return Pool <sup>(4)</sup></b>					
Mariner Investment Group, Inc.	106,804,254	1,261,095		108,065,349	0.84%
Cadogan Management LLC	106,398,739	810,452		107,209,191	0.83%
Crestline Investors, Inc.	108,649,369	659,536		109,308,905	0.85%
Total Absolute Return Investments	<u>321,852,362</u>	<u>2,731,084</u>	<u>-</u>	<u>324,583,445</u>	
<b>Investments in Real Estate</b>					
Real Estate Properties	1,130,350,125	22,824,677	18,812,862	1,171,987,665	9.09%
REIT Holdings	114,217,692	(3,439,718)	-	110,777,975	0.86%
Mortgage-related Assets <sup>(3)</sup>	52,305	490	(2,426)	50,369	0.00%
Total Real Estate Investments	<u>1,244,620,122</u>	<u>19,385,450</u>	<u>18,810,436</u>	<u>1,282,816,008</u>	
<b>TOTALS</b>	<u><u>13,094,297,278</u></u>	<u><u>(156,895,726)</u></u>	<u><u>(38,596,811)</u></u>	<u><u>12,898,804,741</u></u>	<u><u>100.00%</u></u>

(1) Includes income receivables.

(2) Investment is represented by shares in (or as a percentage of) commingled equity investments which, at any given time, may be a combination of securities and cash

(3) Mortgage-related assets are managed in-house. These assets are valued at their principal balance (cost) less an allowance for loan loss, the result of which approximates market value.

(4) Investment is represented by shares in various hedge funds.

# ALASKA RETIREMENT MANAGEMENT BOARD

## Supplemental Annuity Plan Schedule of Investment Income and Changes in Invested Assets for the Month Ended October 31, 2005

	Beginning Invested Assets	Change in Asset value	Contributions	Withdrawals <sup>(3)</sup>	Transfers in (out)	Ending Invested Assets
<b>Interim Transit Account</b>						
Treasury Division <sup>(1)</sup>						
Cash and Cash Equivalents	\$ 2,044,244	\$ 10,685	\$ 9,058,262	\$ (9,106,908)	\$ -	\$ 2,006,283
<b>Participant Options <sup>(2)</sup></b>						
T. Rowe Price						
Target 2005 Fund	14,901,620	36,537	35,994	(179,312)	244,750	15,039,587
Target 2010 Fund	45,969,418	(350,123)	118,228	(161,766)	(416,616)	45,159,140
Target 2015 Fund	82,975,869	(951,881)	271,539	(543,810)	(424,538)	81,327,179
Target 2020 Fund	17,987,762	(300,114)	109,610	(20,727)	249,866	18,026,397
Alaska Balanced Fund	1,107,946,827	(12,093,228)	3,857,862	(5,831,077)	(3,699,784)	1,090,180,599
Long Term Balanced Fund	77,249,089	(1,036,455)	2,454,226	(424,364)	992,804	79,235,300
Small-Cap Stock Fund	47,561,123	(976,399)	251,068	(148,304)	(2,416,652)	44,270,836
Stable Value Fund	115,155,389	343,862	239,985	(955,203)	2,076,522	116,860,554
	1,509,747,095	(15,327,801)	7,338,510	(8,264,563)	(3,393,649)	1,490,099,593
State Street Global Advisors						
Daily Government/Corporate Bond Fund Series A	43,801,688	(367,702)	145,912	(397,812)	(742,447)	42,439,639
S&P 500 Stock Index Fund Series A	256,294,547	(4,231,526)	990,170	(914,193)	1,844,784	253,983,782
	300,096,235	(4,599,227)	1,136,082	(1,312,004)	1,102,337	296,423,422
Barclays Global Advisors						
Tactical Asset Allocation Fund	27,896,355	(459,778)	97,127	(11,055)	(901,654)	26,620,996
Brandes Institutional						
International Equity Fund	61,998,728	(1,730,935)	305,546	(640,499)	3,870,037	63,802,877
Capital Guardian Trust Company						
Global Balanced Fund	49,151,060	(787,021)	177,306	(378,609)	(896,409)	47,266,327
Citizens Advisers						
Citizens Core Growth Fund	24,140,957	(679,787)	121,265	(59,187)	219,338	23,742,587
Total Externally Managed Funds	1,973,030,429	(23,584,548)	9,175,836	(10,665,916)	-	1,947,955,800
<b>Total All Funds</b>	<u>\$ 1,975,074,673</u>	<u>\$ (23,573,863)</u>	<u>\$ 18,234,098</u>	<u>\$ (19,772,824)</u>	<u>\$ -</u>	<u>\$ 1,949,962,084</u>

Notes:

(1) Represents net contributions in transit to/from the record keeper. Invested assets are under the fiduciary responsibility of the Commissioner of Revenue.

(2) Source data provided by the record keeper, Great West Life.

(3) Includes fees.

**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Supplemental Annuity Plan**  
**Schedule of Invested Assets**  
**with**  
**Schedule of Investment Income and Changes in Invested Assets**  
**By Month Through the Month Ended October 31, 2005**  
**\$ (Thousands)**

	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>
<b><u>Invested Assets (At Fair Value)</u></b>				
Investments with Treasury Division <sup>(1)</sup>				
Cash and cash equivalents	\$ 1,307	\$ 1,236	2,044	2,006
Investments with T. Rowe Price				
Target 2005 Fund	14,460	14,318	14,902	15,040
Target 2010 Fund	46,429	46,152	45,969	45,159
Target 2015 Fund	84,870	83,336	82,976	81,327
Target 2020 Fund	17,701	17,618	17,988	18,026
Alaska Balanced Fund	1,114,153	1,114,376	1,107,947	1,090,181
Long Term Balanced Fund	73,851	75,186	77,249	79,235
Small-Cap Stock Fund	49,206	46,803	47,561	44,271
Stable Value Fund	112,337	114,413	115,155	116,861
Investments with State Street Global Advisors				
Daily Government/Corporate Bond Fund Series A	41,100	43,608	43,802	42,440
S&P 500 Stock Index Fund Series A	266,861	259,550	256,295	253,984
Investments with Barclays Global Investors				
Tactical Asset Allocation Fund	27,072	27,388	27,896	26,621
Investments with Brandes Investment Partners				
International Equity Fund	50,617	57,199	61,999	63,803
Investments with Capital Guardian				
Global Balanced Fund	46,374	48,092	49,151	47,266
Investments with Citizens Advisers				
Citizens Core Growth Fund	24,844	23,214	24,141	23,743
<b>Total Invested Assets</b>	<b>\$ <u>1,971,182</u></b>	<b>\$ <u>1,972,490</u></b>	<b><u>1,975,075</u></b>	<b><u>1,949,962</u></b>
<b><u>Change in Invested Assets</u></b>				
Beginning Assets	\$ 1,944,218	\$ 1,971,182	1,972,490	1,975,075
Investment Earnings	31,260	4,869	3,452	(23,574)
Contributions	19,574	19,824	18,724	18,234
Withdrawals	(23,870)	(23,387)	(19,591)	(19,773)
<b>Ending Invested Assets</b>	<b>\$ <u>1,971,182</u></b>	<b>\$ <u>1,972,490</u></b>	<b><u>1,975,075</u></b>	<b><u>1,949,962</u></b>

<sup>(1)</sup> Invested assets are under the fiduciary responsibility of the Commissioner of Revenue.

**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Deferred Compensation Plan**  
**Schedule of Invested Assets and**  
**Changes in Invested Assets for the Month Ended**  
**October 31, 2005**

	<b>Beginning Invested Assets</b>	<b>Change in asset value</b>	<b>Contributions</b>	<b>Withdrawals <sup>(1)</sup></b>	<b>Transfers in (out)</b>	<b>Ending Invested Assets</b>
<b>Participant Options</b>						
T. Rowe Price						
Interest Income Fund	\$ 130,538,511	\$ 445,368	\$ 469,125	\$ (1,269,126)	\$ (1,150)	\$ 130,182,727
Small Cap Stock Fund	58,028,291	(1,151,061)	311,874	(177,010)	(402,263)	56,609,832
Total Investments with T. Rowe Price	<u>188,566,802</u>	<u>(705,692)</u>	<u>780,998</u>	<u>(1,446,136)</u>	<u>(403,413)</u>	<u>186,792,559</u>
Barclays Global Investors						
Intermediate Bond Fund	9,491,947	(40,345)	79,547	(91,402)	(174,241)	9,265,507
Government/Credit Bond Fund	27,328,251	(219,190)	173,965	(333,585)	(611,790)	26,337,651
S&P 500 Index Fund	130,607,580	(2,162,822)	757,150	(789,929)	743,525	129,155,503
Tactical Asset Allocation Fund	28,022,838	(465,951)	221,151	(125,044)	(219,044)	27,433,950
Total Investments with Barclays Global Investors	<u>195,450,616</u>	<u>(2,888,307)</u>	<u>1,231,813</u>	<u>(1,339,960)</u>	<u>(261,551)</u>	<u>192,192,611</u>
Capital Guardian Trust Company						
Global Balanced Fund	34,440,790	(548,908)	317,501	(185,384)	6,901	34,030,900
Brandes Institutional						
International Equity Fund	38,438,366	(1,033,136)	273,054	(183,629)	626,742	38,121,397
Citizens Advisers						
Citizens Core Growth Fund	5,717,733	(162,102)	93,609	(17,132)	31,321	5,663,429
<b>Total All Funds</b>	<u>\$ 462,614,308</u>	<u>\$ (5,338,145)</u>	<u>\$ 2,696,975</u>	<u>\$ (3,172,242)</u>	<u>\$ -</u>	<u>\$ 456,800,896</u>

<sup>(1)</sup> Includes fees.

Source data provided by the record keeper, Great West Life.

**ALASKA RETIREMENT MANAGEMENT BOARD**  
**Deferred Compensation Plan**  
**Schedule of Invested Assets**  
**with**  
**Schedule of Investment Income and Changes in Invested Assets**  
**By Month Through the Month Ended October 31, 2005**  
**\$ (Thousands)**

	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>
<b><u>Invested Assets (at fair value)</u></b>				
Investments with T. Rowe Price				
Interest Income Fund				
Cash and cash equivalents	\$ 7,067	\$ 7,264	5,709	7,635
Synthetic Investment Contracts	123,847	124,811	124,829	122,548
Investments with Barclays Global Investors				
Intermediate Bond Fund	9,083	9,355	9,492	9,266
Government/Credit Bond Fund	26,404	27,111	27,328	26,338
S&P 500 Index Fund	134,047	131,094	130,608	129,156
Tactical Asset Allocation Fund	27,358	27,714	28,023	27,434
Investments with Capital Guardian Trust Company				
Global Balanced Fund	33,126	33,823	34,441	34,031
Investments with Brandes Institutional				
International Equity Fund	34,233	36,267	38,438	38,121
Investments with Citizens Advisers				
Citizens Core Growth Fund	5,482	5,274	5,718	5,663
<b>Total Invested Assets</b>	<b>\$ 459,632</b>	<b>\$ 460,405</b>	<b>462,614</b>	<b>456,801</b>
<b><u>Change in Invested Assets</u></b>				
Beginning Assets	\$ 449,531	\$ 459,632	460,405	462,614
Investment Earnings	10,829	368	3,371	(5,338)
Contributions	2,613	2,950	2,739	2,697
Withdrawals	(3,340)	(2,546)	(3,901)	(3,172)
<b>Ending Invested Assets</b>	<b>\$ 459,632</b>	<b>\$ 460,405</b>	<b>462,614</b>	<b>456,801</b>

Source data provided by the record keeper, Great West Life.